

February 19, 2016

RE: Proposed Bill to Amend 1970 Public Act 169 Local Historic Districts Act, House Bill 5232

Dear Members of the House Local Government Committee,

On behalf of Midtown Detroit, Inc. (MDI), a nonprofit community and economic development agency that drives redevelopment efforts in the Midtown and New Center districts, we could not be more strongly opposed to House Bill 5232 and Senate Bill 720 and the proposed changes to 1970 Public Act 169 Local Historic Districts Act.

There are over 15 locally designated historic districts within the Midtown area. MDI has either spearheaded or been a major proponent in the development of all of these districts. Why you may be asking? The answer is simple: there is no better tool for local communities to manage and protect their historic assets and neighborhood character than local historic district designation. Historic preservation and adaptive re-use contribute to stronger, safer neighborhoods, jobs, and economic development. Local historic districts are ideal places to live and clearly contribute to the development of great urban environments. They help to elevate the character and cachet of a neighborhood and ultimately can help increase property values. Many of the redeveloped buildings within these districts are highly sought after by individuals looking for places to live or operate their businesses from. The local historic district tool has been a contributing factor to why Midtown now has a 98% residential occupancy level in its district.

This is no fluke. Study after study shows that when we can be anywhere, we are drawn to that somewhere that has history, community and meaning. According to the 2014 survey, "The State of the City Experience," conducted by Sasaki, an architecture, urban planning and landscape architecture firm in Watertown, MA, urbanites across the country want great food, they love waterfronts, and yes, you guessed it, they value historical architecture. In particular, this report shows:

- 36% of respondents feel the history of a building is the primary factor that makes it iconic.
- When walking along a downtown street, 57% of the respondents stop to admire buildings that are historic.
- 54% of respondents agreed that to improve their city's architectural character, most people would like to see their city invest in renovating existing historical buildings to retain character while making them more usable.

Detroit has great architectural bones, and the interest in rehabbing these buildings has never been higher. Our own organization has a strong record of historic preservation. In 2001, MDI rehabilitated 4 Victorian mansions and 2 carriage houses that were at risk of being torn down, transforming them into the Inn on Ferry Street—the top rated hotel in the City of Detroit on TripAdvisor.com. Every other comment on TripAdvisor states what a "gem" the Inn is—tourists seek this hotel out over other hotels because of its historic architecture. Here's a sampling of the types of reviews we receive:

"The history was amazing and they have made these mansions very comfortable without taking away the charm."

"Beautiful old buildings that I'm so pleased still exist in Detroit."

"The Inn on Ferry Street is a very special place. In wonderful location just steps away from the Detroit Cultural Center, the individual mansions that comprise the Inn allow regular people a

step into a world that was once only experienced by the city's most elite families. Renovated homes exude the elegance of an era in which Detroit was golden and a city on the rise. The homes have been carefully and lovingly restored...and staying in the beautiful rooms are a unique treat."

Yes, these historical buildings have been saved and turned into a successful hotel. However, the local historical district designation tool is still very important to protect the value of these buildings and the context of this neighborhood. A bad infill building in a historic neighborhood does not respect its surroundings or uplift its users. Contemporary buildings that are made because they are market-driven products that prioritize quantity and speed over quality and mission generally are not visually interesting and do not belong in a local historic district.

It is also important to note that historic districts have not been an obstacle for affordable housing as some proponents for this new legislation have argued. Case in point is the work that Pat Dorn of the grassroots Cass Corridor Neighborhood Development Corporation (CCNDC) has done in Midtown. The CCNDC redeveloped the Chesterfield Apartments, a beautiful historic building that consists entirely of 24 units of affordable housing, and is in the process of redeveloping two other historic buildings that make up their Cass Plaza project which will introduce 47 units of affordable housing. If the CCNDC can pull off quality historic rehabs with the help of grant dollars and historic tax credits, then surely developers with more capital can do the same. It is also important to note that if the current national standards used by local historic commissions are changed because they are not deemed "flexible" enough, the opportunity to use the federal rehabilitation tax credit program could be at risk for many projects in the pipeline in Midtown.

In a joint column published in The Detroit Free Press on February 13, Representative Chris Afendoulis and Senator Peter MacGregor say that they want to "modernize the procedure for establishing or eliminating a historic district." The current system is not broken and the changes these bills propose would not be fixes in any case. There is already a fair and efficient process in place for designating local historic districts. The proposed changes would destroy the system and could further destabilize property values with the proposed 10-year cycle for re-establishing historic districts, and the all-too easy methods for eliminating them.

House Bill 5232 and Senate Bill 720 should be rejected. These bills would weaken protections for historic resources and threaten the viability of local historic districts in Michigan into the future. Our historic places and neighborhoods are too important in Midtown Detroit.

Thank you,



Susan T. Mosey  
Executive Director